

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

INVESTIGATION INTO	)	
AMERITECH WISCONSIN'S	)	
UNBUNDLED NETWORK	)	DOCKET NO. 6720-TI-161
ELEMENTS	)	

**THE CLECS' REPLY BRIEF ON TRANSPORT RELATED ISSUES**

AT&T Communications of Wisconsin, L.P., WorldCom, Inc., KMC  
Telecom, Inc., McLeodUSA Telecommunications Services, Inc., Rhythms Links,  
Inc., TDS Metrocom, Inc., and Time Warner Telecom of Wisconsin, L.P.  
(hereinafter the "CLECs"), by their counsel, submit their reply brief on transport  
related issues.<sup>1</sup>

**A. The Commission Should Apply the CLEC-Advocated Fill Factor to Trunk  
Port Investments (Issue I.E(1)(a))**

As in its discussion of tandem switching costs, Ameritech again here erroneously  
states that the CLECs do not challenge its position. (Ameritech Brief at 278.) To the  
contrary, while Ameritech has applied a \*\*\* \*\*\* [CONFIDENTIAL] fill factor for  
trunk side trunk ports and a \*\*\* \*\*\* [CONFIDENTIAL] fill factor for line side DS1  
ports, the CLECs have urged the Commission to apply a \*\*\* \*\*\*  
[CONFIDENTIAL] fill factor for both types of ports. (See Ex. 58 (AHA-3) at p.  
29\*\*\*) The CLECs make this recommendation because Ameritech purchases these  
facilities on a per trunk basis, not a per switch basis, and therefore the vendors, rather

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<sup>1</sup> The CLECs in this brief address the cost issues set forth at section I.E of the post hearing Issues  
List.

than Ameritech itself, bear the costs associated with maintaining inventories. Since these costs are already included in the per trunk price, no additional mark-up is required (and indeed, would result in improper “double-counting”).

**B. Ameritech Agrees That the CLEC-Advocated Growth Estimates Are Appropriate (Issue I.E(1)(b))**

Ameritech’s initial brief states that it has now adopted the CLECs’ approach to this issue and will rerun its cost study based on the CLECs’ assumption that the best measure of forward-looking trunk quantities is the amount of inter-office usage that is anticipated. (Ameritech Brief at 278.)

**C. The Blend of Vendor Equipment Should Be Consistent with TELRIC Principles (Issue I.E(1)(c))**

Ameritech contends that the switching equipment from the different vendors should be blended in the same proportion as it is currently deployed in the network. (Ameritech Brief at 279.) The CLECs do not disagree, but they do note that under TELRIC, Ameritech should assume the use of the least-cost, forward-looking technology, and therefore give the least expensive switches as much weight as possible. (*See* CLEC Initial Brief on Transport Issues at I.E.-3.)

**D. The CLEC-Advocated Cutover/Growth Blend for Line Ports Is Applicable To That for Trunk Ports (Issue I.E(1)(d))**

The CLECs advocate the same cutover/growth blend for trunk ports as they advocated for line ports. As noted in the CLECs’ initial brief, the parties both agree that the same ratio should apply in both instances – they just disagree over what that ratio

should be. (*See* CLEC Initial Brief on Transport-Related Issues at I.E-4.) Ameritech suggests that the blend of growth/replacement lines is no longer relevant for trunk ports. (Ameritech Brief at 279-281) If so, the CLECs disagree and so does Ameritech's witness Mr. Palmer, who testified that the issues for calculating trunk port costs were the same for line costs (Palmer Reb., Tr.779). The CLECs refer the Commission to their discussion of Issue I.D(1)(a)2. above.

**E. The Appropriate Forward-Looking Technologies and Equipment Configurations For the Calculation of the Cost Components for Dedicated Transport Should Be Consistent With TELRIC Principles (Issues I.E(2)(a) through (c))**

Ameritech is correct that the CLECs do not challenge the cost components making up its dedicated transport rates, provided that CLEC coalition witness Michael Starkey's adjustments are implemented. (*See* Ameritech Brief at 280; CLEC Initial Brief on Transport-Related Issues at I.E.-4.) The CLECs' adjustments to Ameritech's shared and common markup (discussed above at Issue I.B(2)) are applicable here, as they constitute appropriate loadings for calculating a price for dedicated transport. As always, the CLECs believe that all costing should be in line with TELRIC principles.

**F. Calculation of Cost Components for Shared or Common Transport (Issue I.E(3))**

While the CLECs do not challenge that NUCAT appears to identify the appropriate cost components for shared and common transport, they do reiterate their general, overarching criticisms of how Ameritech calculates its cost components. These

general concerns are discussed on p. I.E.-5 of the CLEC Initial Brief on Transport-Related Issues.

**G. The Individual Component Costs for Shared or Common Transport Do Not Differ From Those for Dedicated Transport (Issue I.E(3)(a))**

The parties agree that shared transport costs are recovered on a usage-sensitive basis, while the costs of dedicated transport are recovered on a flat-rated basis.

(Ameritech Brief at 280; CLEC Initial Brief on Transport-Related Issues at I.E.-5-6.)

The CLECs note that for both cases, the individual cost components are the same.

**H. The CLECs' Shared and Common Costs Markup Encompasses the Appropriate Loadings for the Shared Transport Costs (Issue I.E(3)(b))**

The parties agree that a shared and common costs markup should be applied in calculating shared transport costs, and differ only in that Ameritech advocates the application of its joint and common cost loading factor, while the CLECs urge the Commission to apply their adjustments to Ameritech's factor. (See Ameritech Brief at 281; CLEC Initial Brief on Transport-Related Issues at I.E.-6. The CLECs refer the Commission to their discussion of shared and common costs at I.B(2) above and in their initial brief.

**I. The Parties Agree that the Costs of Shared Transport Should Be Recovered on an MOU Basis (Issue I.E(3)(c))**

Ameritech and the CLECs agree that the costs of shared transport are properly calculated on an MOU basis. Ameritech challenges Dr. Ankum's criticism regarding its use of average call distances, which the CLECs have addressed above at I.D(3).

**J. The CLECs Accept Ameritech's Calculation of Cost Components for Dark Fiber (Issue I.E(4)).**

The CLECs do not challenge Ameritech's response to this issue.

**K. The Parties Agree That the Cost Factors for Dark Fiber That Differ From Those for Dedicated Transport Are the Electronics That "Light" the Fiber (Issue I.E(4)(a))**

The parties agree that the difference in the costs of dark fiber and dedicated transport is attributable to the inclusion of the electronics needed to "light" the fiber in the instance of dark fiber. (*See* Ameritech Brief at 284; CLEC Initial Brief on Transport-Related Issues at I.E.-7.)

**L. The FCC Criteria in the UNE Remand Order Are the Appropriate Criteria for Determining When Dark Fiber Must Be Made Available (Issue I.E(4)(b))**

Ameritech urges the Commission to refer to the AT&T/Ameritech Award for guidance on this issue. The CLECs reiterate that the Commission may simply consult the relevant terms of the UNE Remand Order, and refer it to the detailed discussion of those criteria at pp. I.E-7-8 of their Initial Brief on Transport Related Issues. Ameritech's efforts to restrict CLECs' access to dark fiber should be rejected as contrary to the UNE Remand Order and to prior orders of this Commission. *See, e.g.*, Findings of Fact, Conclusions of Law and Second Order, Docket 6720-TI-120, at 43 (May 30, 1997).

**M. The Parties Agree That the Joint and Common Cost Factor Is the Appropriate Loading to the Costs of Dark Fiber (Issue I.E(4)(c))**

As with the loadings for shared and common transport, the parties agree that a shared and common cost markup should be applied in calculating dark fiber costs, and differ only in that Ameritech advocates the application of its joint and common cost loading factor, while the CLECs urge the Commission to apply their adjustments to Ameritech's factor. (*See* Ameritech Brief at 284-85; CLEC Initial Brief on Transport-Related Issues at I.E.-8; *see also* CLEC discussion of shared and common costs at I.B(2) above.)

**N. Determining the Rates for Dark Fiber (Issue I.E(4)(d))**

The CLECs agree with Ameritech's discussion of this issue, which states that the CLECs agree with Ameritech's general methodology, but oppose the application of its fiber feeder fill factor and its joint and common cost markup. (*See* Ameritech Brief at 285.) The CLECs urge the Commission to implement their proposed adjustments to this fill factor and to Ameritech's joint and common cost markup in determining the rates for dark fiber.